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Letter dated 1 December 2000 from the Chairman of the Security Council Committee established pursuant to resolution 1132 (1997) concerning Sierra Leone addressed to the President of the Security Council

On behalf of the Security Council Committee established pursuant to resolution 1132 (1997) concerning Sierra Leone and in accordance with paragraph 12 of section A of Security Council resolution 1306 (2000), I have the honour to submit a summary report along with observations by the Chairman on the exploratory hearing on Sierra Leone diamonds, which was held on 31 July and 1 August 2000 at United Nations Headquarters in New York (see annex).

I would appreciate it if the present letter and its annex were brought to the attention of the members of the Security Council and issued as a document of the Security Council.

(*Signed*) Anwarul Karim **Chowdhury**
Chairman
Security Council Committee
established pursuant to resolution 1132 (1997) concerning Sierra Leone

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Annex

Summary report along with observations by the Chairman on the exploratory hearing on Sierra Leone diamonds (31 July and 1 August 2000)

I. Introduction

1. By its resolution 1306 (2000) of 5 July 2000, the Security Council imposed a ban on the direct and indirect import of rough diamonds from Sierra Leone and tightened the arms embargo regime against non-governmental forces in Sierra Leone. By paragraph 12 of section A of that resolution, the Council requested the Committee established pursuant to resolution 1132 (1997) concerning Sierra Leone (Sierra Leone Sanctions Committee) to hold an exploratory hearing in New York no later than 31 July 2000 to assess the role of diamonds in the Sierra Leone conflict and the link between trade in Sierra Leone diamonds and trade in arms and related materiel in violation of resolution 1171 (1998), involving representatives of interested States and regional organizations, the diamond industry and other relevant experts.

2. The hearing was held on 31 July and 1 August 2000 under the Chairmanship of Ambassador Anwarul Karim Chowdhury (Bangladesh). This was the first time that a Security Council and its sanctions committee has held a public hearing with the objective of furthering understanding of a problem that perpetuates conflict. The hearing covered the following areas:

(a) Sierra Leone diamond industry — e.g., nature of Sierra Leone diamonds, current export patterns and current regulations;

(b) Link to trade in arms and other materiel — e.g., how the illicit revenue is converted into arms purchase, and which types of arms and other materiel are bought with diamond revenue;

(c) Ways and means for development of a sustainable and well regulated diamond industry in Sierra Leone — e.g., the role of the Government of Sierra Leone and possible international assistance.

3. The hearing was attended by interested States, international and regional organizations, the diamond trade associations and individuals with expertise, who addressed the hearing in their personal capacity and did not represent the views of the organizations/institutions that they are affiliated to (see appendix for list of participants).

4. The present report is submitted to the Security Council in accordance with paragraph 12 of resolution 1306 (2000).

II. Sierra Leone diamond industry

5. In the first session, the hearing covered the Sierra Leone diamond industry in general, including the nature of Sierra Leonean diamonds and current export patterns and current regulations.

6. **The Chairman, Anwarul Karim Chowdhury, (Bangladesh)**, introduced Security Council resolution 1306 (2000) of 5 July 2000, in which the Council had imposed a ban on the direct and indirect import of rough diamonds from Sierra Leone and tightened the arms embargo regime against non-governmental forces in Sierra Leone, and he explained the format of the hearings. He noted that the open hearings, organized by the Sierra Leone Sanctions Committee, were unprecedented. He expressed the hope that the sessions would provide a better understanding of the illegal diamond and arms trade in Sierra Leone, which enabled non-governmental forces to sustain their activities. He mentioned that at the conclusion of the hearing, a report containing observations on the issues addressed at the hearing would be submitted to the Security Council in accordance with paragraph 12 of resolution 1306 (2000).

7. **Alhaji Mohammed Deen (Sierra Leone)** provided an overview of the diamond industry in Sierra Leone and described current regulations and the major thrusts of the Government's mining policy, including the requirements for various types of licences, including those for small-scale and artisanal mining, dealing and exporting. He noted that diamond exports from Sierra Leone, which had fallen precipitously since 1996, had increased sharply in June, when the Security Council started to discuss the idea of banning all illegal diamond exports from Sierra Leone until a proper certification regime was put in place. All diamond

exports were currently suspended pending the start of the new certification regime.

8. He noted that the Government had revised and improved its export practice since the adoption of the resolution and was determined to establish a new mining, marketing and exporting regime for diamonds that would reduce illegal diamond exports from Sierra Leone, thus curtailing the supply of revenue to the rebels. Describing the various types of atrocities which had been committed against innocent civilians since the beginning of the civil war, he stressed that the Government was now determined to ensure that the revenue from the nation's diamonds was used for progress and development.

9. **Alex Yearsley** stated that since 1991 — the start of the civil war — the smuggling of Sierra Leone diamonds through neighbouring countries, such as Liberia and Guinea, had become integral to the funding of the Revolutionary United Front (RUF). In setting up a certification system for Sierra Leone diamonds, he noted, it was imperative to establish internal systems of control to ensure that RUF mined/controlled diamonds were not sold/laundered through the Government-run certification system. Further, he stressed, the capacity of Sierra Leone to implement and enforce legislation must be increased. The value of the new certification system which was being put in place in Sierra Leone would depend on the implementation of a global system of control, including diamond-producing, importing and manufacturing Governments, the diamond industry and civil society organizations.

10. **Ralph Hazelton** provided statistics demonstrating that up to 3 million carats of diamonds may have been smuggled out of Sierra Leone through neighbouring countries (including Liberia, Côte d'Ivoire and Guinea) between 1990 and 1998, at an approximate value of $600 million, which potentially could have been used for development within the country. He proposed that (a) an internationally credible and agreed database on the geological resource base be developed; (b) common standards for reporting on countries of extraction be developed and enforced; and (c) exports that significantly exceeded a country's known resource base and/or its legitimate imports, be capped or excluded from world markets.

11. **Mark H. G. Van Bockstael (Diamond High Council)** described the role of Antwerp as a major diamond trading centre, and based on trade statistics spanning the past three decades noted that whereas the imports of diamonds from Sierra Leone were a good representation of its production capacity determined by the geological conditions, imports recorded from Liberia bore no relationship to local production capacity. He stated that the Diamond High Council had offered as early as April 2000 to assist the Government of Sierra Leone in drafting an effective certificate of origin regime based on the positive experience of doing the same together with the Government of Angola.

12. **E. Izhakoff (World Federation of Diamond Bourses)** stated that his Organization was willing and ready to work with Governments to help in monitoring the certification system in Sierra Leone and in providing all necessary assistance.

13. During the question-and-answer session which followed the presentation, **Mr. Yearsley** questioned whether the mandate of the expert panel would cover other natural resources, such as timber, iron ore and bauxite, since revenues from those substances were used to fund the supply of weapons from Liberia into Sierra Leone. The Chairman noted that while the resolution dealt with diamonds, he was sure that other aspects would be examined and recommendations made in the report.

14. **Nancy Soderberg (United States)** commended the "unique" cooperation between the industry and public sector in trying to address the issue of conflict diamonds. She expressed the view that the steps they were taking voluntarily were unprecedented in the private sector and deserved credit, and commended the Government of Sierra Leone for its efforts to develop a mechanism to control its resources. She highlighted the need to take a regional approach, to focus on the steps the international community might take to ensure that neighbouring States comply with the Security Council resolution. She hoped that the proposal to match government resources with export figures would be brought to the Council. She asked the members of the industry to comment on the role that could be played by the international community, for discussion in the Council.

15. Noting that there was no direct importation of diamonds from any African country, **Satyabrata Pal (India)** stated that his country had set in place a series of steps to ensure that there was no possibility of any Indian diamond trader dealing in conflict diamonds. He wished to know how the certification of origin or other

system being put in place would automatically deny money to RUF. He noted that Mr. Hazelton had estimated double the per year diamond production total for Sierra Leone as had been estimated by the Government of Sierra Leone.

16. **Patrick Smith** stated that regarding the certificate of origin scheme in Sierra Leone, the concentration of effort should be in neighbouring countries in order to inform them of the contents of the Security Council resolution.

17. Noting that his delegation had been the sponsor of Council resolution 1306 (2000), **Jeremy Greenstock (United Kingdom)** subscribed to the statement by the United States, and stated that his Government's approach to the resolution and to the other resolution on which his delegation was now working was a determined and proactive stand on the future stability and prosperity of Sierra Leone and control of the exploitation of natural resources in Africa, including how to establish a global certification regime for rough diamonds which the industry had already taken steps towards. Further, he stated that the United Kingdom and the Russian Federation at the recent Group of Eight meeting had called for a further international conference to address the entire issue, including how to establish a global certification regime for rough diamonds which the industry had already taken steps towards. He wished to know when the Sierra Leone Government might be in a position to actually start the certification regime and what international assistance was needed. He stated that he was gratified that the United Nations and the international community were united on the link between diamonds and arms, towards which Ambassador Fowler (Canada) had paved the way on Angola. It was also good to see individual Governments, non-governmental organizations and individuals concerned with that area take such a strong interest in establishing a certification regime, he added, of which the recent meeting in Antwerp was yet another element. He wished to know from the Minister of Mineral Resources of Sierra Leone whether a regime could actually be designed which effectively prevented illegal diamond trading by RUF or other rebel factions, in the light of the difficulties likely to be faced in establishing a regime which encompassed the illegal activity in the East of the country. He also wondered whether, within the diamond industry, there was resistance to ideas of a broader certification regime.

18. Responding to India, **Mr. Deen** noted that his Government did not have the resources beyond its borders to monitor the movement and the volume and value of diamonds that left the country illegally, although a number of institutions had undertaken research on the matter, he added. He noted that De Beers, which had implemented the marketing regime in Sierra Leone in the 1950s and 1960s, had come out with an estimate of 35-150 million dollars per annum (not carats, as noted by India). He accepted the De Beers figure as an indicator. Responding to the United Kingdom, he noted that his Government wished the new regime to start as soon as possible. For the past three weeks or more, he added, since the resolution had been adopted by the Security Council, Sierra Leone had stopped all exports of diamonds, which was already having an adverse effect on the rate of exchange between the dollar and the leone (Sierra Leonean currency). His Government had approached a very highly renowned security printing firm in the United Kingdom, he stated, and would depend very much on assistance from international bodies. In that regard, he continued, the United Kingdom Government had indicated that it would be able to assist with the first printing of certificates of origin. His Government wished to start as soon as the Committee gave the recommendation to the Security Council, he stated. Regarding the lessons Sierra Leone had learned from former regimes about the illegal export of diamonds, that had been a very difficult task, he stated. When the resolution was adopted, he said, his Government had had very frank discussions with the Belgians, at which it had learned that what it considered to be the illicit export of diamonds was considered by the Belgians as a very legal importation of merchandise. Further discussions with the Belgians had confirmed that what the Security Council resolution had referred to as illicit exports would be considered as illicit imports. Up to the present, he stated, his Government had been concerned only with giving authority for diamonds to leave Sierra Leone's shores. It had not had the resources to trace where they actually went. His Government would appreciate assistance from the international community in ascertaining violations of the resolution, he stated.

19. **Yves Doutriaux (France)** stated that the participants should be inspired by this first session in seeking a more transparent and effective way to deal with the area of sanctions in the Security Council. His country, he noted, had been the first to state before the

Lomé Agreement that measures to counter the illegal export of diamonds by Sierra Leone rebels should be taken. "We believe that is crucial", he said, in order to exhaust the arms supply of RUF, to cut off their sources and to restore peace to Sierra Leone. He hoped that all the efforts in connection with the illegal export of diamonds from Sierra Leone would be coordinated with other initiatives (Angola, Democratic Republic of the Congo), noting that expert groups had been established which often worked on the same topic. The Minister of France, he stated, had proposed at the Group of Eight meeting in Okinawa that a permanent group of experts in the field be established by the Secretary-General. He also noted the proposal made by the United Kingdom and the Russian Federation regarding illicit trafficking at the global level and the conference they were willing to convene. He stated his country's willingness to cooperate with Sierra Leone in fully implementing the resolution and to do what it could to put an end to the illicit trafficking. The panellists should think about how to assist neighbouring countries in the region who had the political will to implement the Security Council resolution but lacked the human and financial resources to ensure that the embargo was carried out. He noted that Mr. Hazelton had said that a country like Guinea had asked for assistance in the customs area. Mr. Smith had suggested that the experts visit the countries in the region to sensitize the Governments and publish information on the problem of illicit export of diamonds. He urged the participants to consider how to concretely help countries in the region.

20. Responding to the question from the United Kingdom regarding resistance to the system of certification from some medium-sized dealers, **Mr. Izhakoff** noted that diamond dealers were traditionally very conservative and any change caused them anxiety. He had received many phone calls from Belgium and elsewhere regarding the subject, he stated. He believed that after explaining that there was a moral question and that "they must rid themselves of conflict diamonds regardless of any business concerns", they had understood. He was confident that they would receive the cooperation of every diamond dealer in the world, as well as producers and some government officials. In order to implement the plan, the heads of organizations in the industry must join with the producers, exporters and importers. The commitment had been set in motion and all necessary assistance was needed in bringing Governments and industry organizations together.

21. **Andrew Coxon** stated that, as someone familiar with the characteristics of rough diamonds from Sierra Leone, he was responding to India concerning whether it was possible to distinguish the rough diamonds from the three areas of Sierra Leone. That was possible, he stated, when all the pieces of a parcel from a digging were available. The diamonds from each area were quite different, he noted, and were sufficiently recognizable for someone familiar with Sierra Leone diamonds to differentiate. He was confident that a Government evaluator, trained by De Beers, who was a rough diamond buyer for Sierra Leone, could recognize the diamonds from the three areas of the country. The fact that the Government of Sierra Leone would be licensing only a few diamonds would mean that those from the rebel fields would be subject to confiscation. Assistance would be needed by countries other than Sierra Leone in recognizing diamonds from the three areas. He suggested that assistance could be given by the diamond industry in training customs agents to recognize the three types of diamonds.

22. **H. U. Didigu (Economic Community of West African States) (ECOWAS)** stated that ECOWAS was deeply appreciative of the initiative on the part of the United Nations and of the Security Council resolution that had provided the environment to carry out the initiative. ECOWAS, during its last summit, had set up a regional commission of inquiry into the illegal trading of diamonds in Sierra Leone. The 13-member panel of inquiry would start its work in a few weeks, and would include the six members of the ECOWAS Committee on Sierra Leone, namely, Liberia, Nigeria, Ghana, Guinea, Mali and Togo. ECOWAS hoped to have two experts from the United Nations on the panel, the terms of which were very similar to those of the United Nations. The Commission of Inquiry would try to identify diamond miners, institutions and States involved in the trafficking of diamonds and hoped to put an effective control mechanism in place. The panel would also call on a large number of private diamond experts.

23. **Mr. Van Bockstael** stressed the importance of travelling in neighbouring countries to Sierra Leone. He also supported Mr. Smith's proposal that the Diamond High Council continue to place its expertise at the disposal of countries that requested it.

24. **Mr. Hazelton**, in response to India, noted that he believed that there was sufficient comparability between the people putting the statistics together, even with the complexities of quantifying an illegal product, and that it was important not to get lost in statistics since everyone agreed that the magnitude of the problem in Sierra Leone was clear. He noted that the representative of India had stated that the share of diamonds from Sierra Leone was 0.03 per cent and that the participants ought to put that in perspective. However, he noted, while it was true that the Sierra Leone output as a percentage of world output was very small, the perspective could not be taken that it was unimportant since it was very important for the people that had been killed and maimed in Sierra Leone.

25. **Mr. Pal** stated that he had simply been trying to set the problem in the perspective for the global trade. However, the figure he had based his statement on had been inaccurate. The correct percentage for Sierra Leone would be 0.9 per cent, he stated. In responding to Mr. Coxon, who had stated that it was fairly easy to distinguish the diamonds from the three main areas of Sierra Leone, he noted that at a recent meeting organized by the Security Council the participants had been told by other experts that it was not possible to determine where the diamonds were mined. He questioned how it would be possible to satisfy oneself that diamonds originated in areas currently controlled by RUF since the resolution did not distinguish between the different areas of Sierra Leone.

26. **Mr. Yearsley** stated that within Sierra Leone there was a very good system of mines monitoring officers, very experienced experts in diamonds who had done work in RUF-controlled areas. They knew the capacity or the areas and who had licences and who did not. Diamonds could not be sold without licences. If suddenly an area was exceeding its capacity, it would be flagged. A system was in place in Sierra Leone, he noted, although it was not in operation. Given the capacity and technical support, it could work, he stressed. The geological identification of diamonds, as against the scientific identification of diamonds, was what was being looked at.

27. **Mr. Coxon** stated that it was correct that technically it was not possible to determine the area from which a particular diamond had come, that mining companies greatly desired to develop such a technique and that work was continuing. The point he wished to make, he stressed, was that parcels of diamonds created a picture in their original form. He did not think his colleagues would disagree that the Kono diamonds were easily recognizable. Tongo Field diamonds had cotton wool inclusions not found in other areas. He wished to stress that it was possible to recognize diamonds from the various areas only in parcel form. Measures had been successful in reducing the offers the rebels were receiving for diamonds by 30 per cent. India was right in stating that such trade could not be completely stopped. The final solution, he stated, was inviting those persons to return to the countries from which they had come.

28. **Mr. Deen** stated that there was a system already in place. Diamond dealers could only buy diamonds from persons with a mining licence. Mining officials who monitored the system went out periodically to the dealer offices to inspect their books. When diamond parcels came in to Freetown, the diamond valuer was able to tell the diamonds from Kono, of which the crystal edges were fairly sharp and could be differentiated from the Bo diamonds, which were rounded and fairly water-worn. Those were the techniques currently available, which it was hoped would be intensified.

Observations

- Diamond exports from Sierra Leone, which have fallen precipitously since 1996, increased sharply in June 2000, when the Security Council started to discuss the idea of banning all illegal diamond exports from Sierra Leone until a proper certification regime was put in place. All diamond exports are currently suspended pending the start of the new certification regime.
- The smuggling of diamonds through neighbouring countries has funded the Revolutionary United Front.
- Internal systems of control must be established to ensure that RUF mined/controlled diamonds were not sold/laundered through the government-run certification system.
- The capacity of Sierra Leone to implement and enforce legislation must be increased.
- The value of the certification system put in place in Sierra Leone will depend on the implementation of a global system of control.

- A credible international database of the geological resource base of countries must be developed.
- Countries that exceed their known exploitation base could be excluded from world markets.
- The Security Council must take the lead in standardizing national legislation.
- A regional approach must be taken to ensure that neighbouring States comply with the resolution.
- Regional countries need technical assistance, including specialized training of customs officials.
- Mechanisms for controlling the import of rough diamonds should cover all diamond-importing countries in order to address all loopholes.
- At the international level, a global system of control, backed up by wide-ranging industry reforms that are practical to implement, could contribute to a lasting solution to the crisis of Sierra Leone's diamonds industry and the wider problem of conflict diamonds.
- Efforts should concentrate on neighbouring countries to inform them of the contents of the Security Council resolution and assist them in its implementation.
- Efforts in connection with the illegal export of diamonds from Sierra Leone should be coordinated with other initiatives (Angola, Democratic Republic of the Congo).

III. Link to trade in arms and other materiel

29. The second session of the hearing focused on the link of diamond trade to trade in arms and other materiel — e.g., how the illicit revenue is converted into arms purchase and which types of arms and other materiel are bought with diamond revenue. **Richard Holbrooke (United States)** welcomed the participation of Liberia and Burkina Faso in the hearing, and stated that the Governments of those countries, including through the actions of their Presidents, were fuelling the war in Sierra Leone and profiting from the arms-for-diamonds trade. In this connection, he mentioned that the United States intended to support measures against both Burkina Faso and Liberia unless they ceased their support for the war in Sierra Leone. Noting that RUF was acquiring machine guns, shoulder-fired surface-to-air missiles and the means to shoot down aircraft, he raised questions as to who manufactured the weapons; which middleman sold them; who issued the end-user certificates; where they entered African airspace; where they landed; where they were trans-shipped; and how they found their way into the forest of Sierra Leone.

30. Stating that conflict diamonds have provided RUF leaders the means to fund their nine-year insurgency, he estimated that RUF had garnered $30 to $50 million and as much as $125 million a year from the illicit sale of diamonds. The principal vendor appeared to have been RUF leader Foday Sankoh until his arrest. Other RUF commanders, including Sam Bockarie, a.k.a. "Mosquito", had been selling as well. Unidentified middlemen, many of them Lebanese, bought and resold diamonds to Belgian, Israeli, South African, Indian and other buyers. Most trade moved through Liberia, but in the late 1990s Guinea reportedly was a transit route for some 40 per cent of smuggled Sierra Leone diamonds. Significant quantities subsequently passed through Côte d'Ivoire and Burkina Faso, probably for sale to South African and European buyers. The diamonds might also pass through the Russian Federation, Switzerland or the Netherlands prior to their arrival in Antwerp. In the last several years, Liberia had exported 6 million carats of rough diamonds worth $300 million even though its estimated productive capacity was only 100 to 150,000 carats, worth less than $10 million. RUF leaders and the President of Liberia had undoubtedly been taking large commissions.

31. He mentioned that the principal African countries involved in arms trafficking to RUF included Burkina Faso, Liberia and the Libyan Arab Jamahiriya. In 1999, planes landed in Ouagadougou from Ukraine with several tons of small arms and ammunition; the incident should be brought to the attention of the Sierra Leone Sanctions Committee. Arms brokers, including Zief Morganstein, a well-known arms and diamond dealer in Sierra Leone, had played a vital role in keeping RUF supplied with weapons and other military materiel. There had been other connections between former government officials of South Africa during its apartheid regime, who now operated as private individuals, including Fred Rindel, former South African Defence Attaché in Washington, D.C., who now worked as a security consultant in Liberia and trained Liberian troops and RUF soldiers.

32. **Mr. Smith** stressed the "formidable complexity" involved in tracking the process by which smuggled

diamonds generated revenue to buy arms, but said that better surveillance would make it an easier process. Mr. Smith cited April 1999 as an example, when the Commander of the ECOWAS Monitoring Group (ECOMOG), Major General Felix Mujakpero, had sent a full report to the Security Council, citing a 67,000 kilograms (kg) consignment of arms and ammunition that had passed from the Ukraine, through Burkina Faso and Liberia, and on to RUF in Sierra Leone. Ukraine's state-owned Ukrspetsexport had been issued with an end-user certificate from Burkina Faso, stating that Burkina Faso was the final customer for the equipment and that it would not re-export the equipment without consulting the Government of Ukraine. The purchase of weapons and ammunition was arranged by Gibraltar-based Chartered Engineering and Technical Company, which had then contracted a trade agent of the Ukrainian air carrier Antonov design Bureau — the British company Air Foyle — to fly the goods to Burkina Faso. According to the documents, Mr. Smith said, flight ADB 1737, an Antonov-124 (registration UR-82008) had carried 67,564 kg of "defense equipment and ammunition" from Kiev to Ouagadougou on 13 March 1999. The end-user certificate had indicated 3,000 AKM (Kalashnikov assault rifles), 50 machine guns, 25 rocket propelled grenade launchers, 5 Strela-3 (also known as SA-7) missiles and 5 metis anti-tank missile systems, as well as ammunition for all of the above. Further details, Mr. Smith continued, had been uncovered regarding the spotting of a crew unloading arms from a Burkina-registered Boeing 727-14 (registration XT-BBE) on 26 and 29 February 1998, after flying from Ouagadougou to Monrovia airport. The flight had originated in Rabat, Morocco. These examples indicated the complexity of the arrangements, Mr. Smith said, involving officials or businessmen in at least seven countries: Burkina Faso, Gibraltar, Liberia, Morocco, Sierra Leone, Ukraine and United Kingdom, and involved Western States and former Eastern Bloc countries as well as African States.

33. Legitimate business activities were often used to camouflage arms and diamond traffickers. Mr. Smith cited Ukrainian businessman Leonid Minim as an example. Minim had been identified by ECOMOG officers as a major arms supplier to RUF, was close to Liberian senior officials and operated a timber company, Exotic Tropical Timber Enterprise, that also dealt in diamonds and arms. Although none of these operations necessarily reflected on the Ukrainian Government, Mr. Smith stressed that there was a danger that Ukraine-based traffickers might exploit links between the country's armaments sector and its diamond-cutting and polishing trade to organize guns for gems, and that it would leave no audit trail.

34. Colonel Fred Rindel, military consultant to the Liberian Government, was also cited by Mr. Smith as another example of the complex international links in arms and diamond smuggling. In the 1980s, Colonel Rindel was a military attaché in South Africa's embassy in Washington, D.C., followed by his post as liaison officer between the South African Defence Force (SADF) and Jonas Savimbi's UNITA forces, where he learned his tactical sense and knowledge of the diamond business, which had been invaluable to him in his current role. It was reported that Colonel Rindel was paid for his military services in part in gemstone diamonds, and that he supplied strategic and military support to RUF.

35. In order to implement Security Council resolution 1306 and improve the diamond trade regime in Sierra Leone, there was an urgent need for comprehensive and coordinated monitoring, a West African commitment to sanctions on an official level, technical assistance to Sierra Leone and the subregion, new methods of surveillance and international coordination.

36. Noting how important it was to have this hearing at this juncture, **Mr. Hazelton** mentioned that Liberia's dealings in Sierra Leone's stolen diamonds had been a major concern to successive Sierra Leone Governments since the great diamond rush of the 1950s had triggered massive smuggling of the country's gems through Monrovia. Charles Taylor's connections with the current President of Burkina Faso dated from the mid-1980s. Since then, Burkina Faso and the Libyan Arab Jamahiriya had provided a base for Taylor's National Patriotic Front of Liberia (NPFL). At training camps in both countries, NPFL soldiers became acquainted with Foday Sankoh and other Sierra Leoneans in the fledgling RUF, whose emphasis from the start was on diamond areas around Koindu and later the Kono District. In the mid-1990s, NPFL was said to have become heavily involved in the international drug trade. In February 1999, the London Times reported that the United Nations and "western intelligence agencies" were investigating the probability that an international criminal consortium of diamond dealers and cocaine traffickers were behind the attempt by

Taylor to seize Sierra Leone's diamond fields through their RUF proxy. The article named Fred Rindel and Nico Shefer, an Ecuadorian who was once in business with Colombian drug baron, Pablo Escobar, as central figures of this consortium. Regarding arms shipment, Hazelton stated that the 40-ton consignment of arms from Bratislava, Slovakia, to rebel-held territory in eastern Sierra Leone, based on the contract between RUF and two British companies in late 1998, was said to have been acquired with diamond resources. The arms were crucial in the successful and highly destructive RUF attack on Freetown in January 1999.

37. In January 1999, ECOMOG had apprehended an Israeli named Yair Klein, a former Israeli military officer, who had attempted to sell helicopter spare parts to the Freetown authorities just after the attack by RUF on the capital. He was accused of spying for the rebels and supplying them with arms through Liberian networks directly linked to the Liberian President. Klein had been involved in the training of Taylor's elite fighters and before that, through his company, Spearhead Inc., he had worked in Colombia, by whose authorities he is reportedly still wanted for providing instruction and training in terrorist activities to paramilitary and vigilante groups there.

38. Dr. Hazelton mentioned that there was strong evidence that Liberia had become a key centre for illicit diamond-related activity, with connections to arms trafficking from other countries in the region as well as to Sierra Leone and possibly further afield. This contravened Security Council resolutions 788 (1992), 985 (1995) and 1132 (1997). In its May 2000 report, Human Rights Watch had detailed arms shipments to Liberia and to RUF through neighbouring countries. In July 2000, documents were released by the British Broadcasting Corporation, one of which was said to be a Sierra Leone Police Special Branch report on weapons transfers to RUF troops in the diamond areas of Sierra Leone from Burkina Faso via Liberia.

39. In conclusion, Mr. Hazelton stated that the panel of experts must determine and make public the link between diamond and arms acquired. If it was true that the British Government, the United States State Department and the Western intelligence agencies had solid evidence of Liberian arms support for RUF in exchange for diamonds, that should be made public and/or acted upon. De Beers had calculated that Liberia mined $10 million in diamonds annually, while President Taylor had denied charges of official complicity in diamond smuggling. In this regard, a temporary international ban on all Liberian diamonds could be instituted until the discrepancy between Liberia's known diamond resources and official Belgian imports could be reconciled.

40. **Brian Wood** stated that various papers had been taken from the house of Foday Sankoh when he was arrested in May 2000. One of the documents, a hand-written memorandum entitled "Situation report" from "The Black Revolutionary Guards" to "The Leader", recalled the recent struggle for survival and stated: "President Charles Taylor gave full assurance to the High Command (of RUF) and promised to give his maximum support to RUF. He also took an oath that he would never betray his brother (Corporal Foday Sankoh). From that point on, the President gave huge quantities of logistics (ammunitions) to the High Command for us to start repelling the ECOMOG advance". Brigadiers Issah Sesay and Mike Lamin, as well as General Ibrahim and J.P.K., were mentioned in the memorandum. The same document also stated that when General Ibrahim returned to Burkina Faso, the "High Command also received a good amount of diamonds from Kono. He also planned to send another good parcel to General Ibrahim in Burkina Faso for ammunition and arms as he had started making some important contacts for material. The High Commander therefore decided to hand over the said parcel of diamonds to Brigadier Issah Sesay so that he might pass through Monrovia and make his way to Burkina Faso and meet General Ibrahim to work out fast modalities to get some needed materials for us". The memorandum went on to state that: "The High Command was called in every month to report to Monrovia for briefing."

41. According to the memorandum, in October 1998 the High Command, the War Council Chairman and one S.L.A. representative, Colonel Eddy Kanneh, went to Burkina Faso and met President Compaore, who gave "words of confidence and assurance" that "he would not let Corporal Foday Sankoh down at all". President Compaore "instructed the High Command to forward the RUF issue to the Organization of African Unity (OAU) as he was the current OAU Chairman". On their return, "they were given a huge quantity of materials for a serious offensive to start a campaign for the release of our leader". The delegation, the memorandum went on to mention, went back to Monrovia in November, and the combatants "agreed to

start the operation in capturing Kono ... they succeeded in overrunning Kono and capturing some artillery weapons and a huge quantity of arms and ammunition". The memorandum proceeded to outline the infighting between RUF commanders, apparently over diamond proceeds, culminating in the killing of Colonel Rambo by "Superman's" (alias for Brigadier Denis Mingle) men in Makeni. It also stated that Lieutenant Colonel Kennedy was the overall mining commander, and that one businessman from Cuba named Carlos offered the movement one FM radio station, which was being built on a hill in Dodo Katumo.

42. Another report from Brigadier Issa Sesay to "the Leader of the Revolution", dated 27 September 1999, stated that "General Mosquito was able to make positive contact with the United Liberation Movement for Liberian Democracy (ULIMO) and make all the necessary arrangements to buy the materials from them." Wood endorsed Patrick Smith and others regarding the complicated system of arms dealings. According to Wood, a British pilot admitted to flying arms to Makeni in March 1995 and a large smuggled shipment in 1997 with Transair. The pilot also stated that Transline, based in Monrovia, acted as his agents. He was not told what the cargo consisted of but received a $10,000-per-month salary. Since 1994, he had operated 50 flights, picking up cargo in Cairo, then flying onto various destinations, mainly to Angola, with arms and ammunition, sometimes mines.

43. Arms trafficking to RUF is linked to UNITA, Wood continued. Four interviews were conducted with aircrew, one of whom said he had shifted the materiel to Bout's aircraft. Bout runs well over 30 aircraft, some based in Equatorial Guinea. Once the panel of experts was in place, Mr. Wood suggested that it could go into more details. He pointed out that few States had laws to regulate arms dealers and traffickers. In that connection, Mr. Wood urged the Committee and the Security Council to compel States to take swift action. Such arms brokering and shipping agents should be registered and then request licenses from their home Governments. Law enforcement agency had to start investigations afresh in dealing with different cases, including those agents' bank accounts and details of transactions. However, States needed more assistance in this regard.

44. **Mr. Izhakoff** stated that if such a list of arms brokering and shipping agents could be obtained from the United Nations, the World Diamond Council could cooperate by posting it in public places.

45. **Mr. Greenstock** welcomed the decision taken by ECOWAS to examine the general problem of arms and diamonds in Sierra Leone, and urged the hearing to pay specific attention to Liberia and Burkina Faso. Regarding the former, Ambassador Fowler acknowledged President Taylor's genuine concerns about the stability of his regime, Liberia's economic and political interests in West Africa and personal, political and military ties between RUF and NPFL. However, he noted that reliable sources showed that President Taylor was orchestrating the activities of RUF, in terms of encouragement, strategic direction, leadership and military support and was using RUF to retain control of Sierra Leone's diamond resources. **Stephen Pattison (United Kingdom)** expanded on the Liberian involvement with RUF, highlighting their contacts with RUF leadership, involvement in the supply of arms to RUF and interest in the Sierra Leone diamond industry.

46. Some key points regarding President Taylor's meetings with RUF commanders, which he chaired in Monrovia or co-hosted with President Blaise Compaore in Burkina Faso, were highlighted by Mr. Pattison. In particular:

(a) Commanders included Issa Sesay, Gibril Massaquoi, Morris Kallon and Augustin Gbow (based in Sierra Leone); Sam Bockerie and Edward Kanneh (based in Liberia); and Ibrahim Bah (based in Burkina Faso);

(b) On 5 June 2000, Sam Bockerie, Gibril Massaquoi and Edward Kanneh had accompanied President Taylor on a trip to Ougadougou, Burkina Faso, to meet President Compaore. Massaquoi was carrying a quantity of diamonds and a Liberian helicopter had flown him from Kono diamond area to Monrovia, whence he was flown to Ouagadougou;

(c) On 10 June 2000, Gibril Massaquoi had flown to Monrovia to meet President Taylor, taking with him more diamonds and obtaining six trucks to transport material back to Sierra Leone.

47. Strategically, Mr. Pattison continued, RUF had acted on President Taylor's proposal to fortify the diamond areas around Kono.

48. Militarily, President Taylor regularly supplied RUF with arms, ammunition, fuel, food and medicines,

transported by helicopter, and organized the transport of RUF, Liberian, Burkina Faso and Guinea personnel and RUF mercenaries, as follows:

(a) Since June 2000, ammunition and other supplies had been shuttled by helicopter from Monrovia, Liberia, to Sierra Leone, and two truck loads of ammunition and food had left Monrovia for Sierra Leone on 8 June;

(b) In late June, President Taylor had authorized an arms shipment to Sierra Leone, including rocket propelled grenades, mortars and rifles, escorted by RUF commander Issa Sesay;

(c) At least 1,000 troops linked to Bockarie had crossed from Monrovia into eastern Sierra Leone during May and June and some 400 to 500 RUF, Burkina Faso and Liberian soldiers, armed with rifles, rocket propelled grenades and flamethrowers, had been led by him across the (Liberian) border during the last week of June.

49. President Taylor had sought to tighten control of Sierra Leonean diamond production, Mr. Pattison continued, such as:

(a) Authorizing in June a South African-based diamond mining and trading company to establish a cover company in Liberia (the Liberian Investment Corporation), with a subsidiary in Burkina Faso to hide RUF mining operations in Sierra Leone;

(b) Calling in a South African private security team to assess the military situation around the Kono diamond area and advise on defensive measures;

(c) Checking weekly on diamond production levels in the Kono region.

50. Long-standing links between President Compaore, President Taylor and Foday Sankoh were also highlighted. In early May 2000, Mr. Pattison said, Sam Bockarie had travelled to Ougadougou to meet President Compaore to discuss Bockarie's future role in RUF, and on 4 June 2000, President Taylor, accompanied by senior RUF commanders, had visited President Compaore to ask for manpower.

51. Concerning diamonds, Mr. Pattison concluded, as much as 40 per cent of the diamonds mined in Sierra Leone reach the outside world via Burkina Faso, with the other 60 per cent going via Liberia.

52. **Michel Kafando (Burkina Faso)** stated that "attacks" on his country should be supported by concrete proof. Last year, his country had received a communication from the Sierra Leone Sanctions Committee, asking for information regarding the shipment of arms from Ukraine to Burkina Faso. Investigations had showed that the allegations were not true. Indeed, Burkina Faso ordered arms for its own needs, but nothing had been diverted to other countries.

53. He stated that there was thus no need to defend itself. He added that Burkina Faso was very much concerned with the situation in Sierra Leone and was part of the Committee carrying out the Lomé Agreement. Its Government had established a team to be in charge of carrying out investigations regarding violations of the Sierra Leone sanctions. If the Sierra Leone Sanctions Committee required certain documents, Burkina Faso was ready to forward them. Burkina Faso declared itself ready to receive any United Nations team to carry out investigations regarding the Sierra Leone questions, he mentioned.

54. **Sylvester E. Rowe (Sierra Leone)** stated that his Government believed that RUF procured arms and ammunition to fuel its war from the illegal mining and sale of diamonds; that those arms included 120 millimetre (mm) mortar and bombs, anti-personnel mines, anti-aircraft guns and ammunition, rocket-propelled grenade tubes and bombs, 82 and 60 mm mortars and bombs, heavy machine guns, 12 Bore AK 47 and 58 rifles, 50 mm anti-aircraft guns, and SAM-7 (surface-to-air missiles); that the sources of origin of these weapons were mainly Eastern Europe; that they were acquired through middlemen, diamond dealers "big brothers" and others in the West African subregion and other parts of Africa; that the trainers of RUF who were paid in diamonds were from Eastern and Western Europe, the West African subregion and other parts of Africa; that RUF also offered mining contracts, lease agreements and concessions to its foreign partners in exchange for weapons, mining equipment and other supplies; and that without diamonds, RUF would be incapable of violating the Lomé Agreement, of threatening, detaining and killing the United Nations Mission in Sierra Leone (UNAMSIL) personnel, of impeding the delivery of humanitarian assistance to innocent civilians and of continuing the rebel war.

55. He maintained that the human tragedy in that country could be significantly alleviated by eroding the foundation on which RUF had built its brutal and

inhuman aims and objectives. The international community should remember that this was the same organization that had launched the campaign, "Operation no living thing".

56. **Valeri Kuchynski (Ukraine)** stated that his Government consistently took steps to prevent illegal arms transfers from its territory in violation of the decisions of the Security Council. In the field of diamond trade, his Government was considering a draft legislation that would implement the embargo imposed by Council resolution 1306 (2000).

57. With regard to the issue of the case involving the supply of Ukrainian weapons to the rebels of Sierra Leone via Burkina Faso, he cited a letter dated 26 April 1999 to the Liberia and Sierra Leone Sanctions Committees, stating that investigation had showed that the shipment did take place from Ukraine to Burkina Faso, whose Ministry of Defense had issued the relevant delivery confirmation certificate, and that Ukrainian authorities had ascertained the authenticity of seals both on the delivery confirmation certificate and on the end-user certificate. There was no indication in relevant documents that the shipment was destined for re-export to any other legal or natural person in any other third country. He mentioned that the delivery had been made within Ukrainian laws and international norms. However, he continued, Ukraine was concerned that sanctions might have been violated. Ukraine's cooperation and assistance provided to the Sierra Leone Sanctions Committee was a concrete proof of Ukraine's commitment to the intensified efforts aimed at increasing effectiveness of the existing sanctions regimes in particular on Sierra Leone.

58. **Monie Captan (Liberia)** stated that his Government was disappointed with reports made by other participants at the hearing since it had expected that concrete proof would be provided regarding allegations of Liberia's involvement in sanctions violations, so that every State could look into it. Papers presented by the United Kingdom contained information from journals, radios and Western intelligence. However, concrete evidence was needed. Furthermore, Liberia had been told to prove its denial of the allegations. He stated that his country would like to be able to scrutinize the evidence. President Taylor suggested to United States Assistant-Secretary of State Pickering that he present the evidence to an eminent panel.

59. **Adriaan Kooijmans (Netherlands)** stated that it was grateful to the United Kingdom for information, and agreed with the United States and Sierra Leone regarding "naming and shaming". The panel of experts, once established, should look into the whole issue in more detail. The Netherlands also agreed with France regarding the permanent body to monitor the international diamond trade.

Observations

- The whole process by which smuggled diamonds generate revenue to buy arms is extremely complex. However, better surveillance could track the transactions and reduce the illicit import of the arms that fuelled internal conflicts. This requires comprehensive and coordinated surveillance and maximum commitment by all the Governments concerned.
- A panel of experts could make public the connection between Sierra Leone conflict diamond and their link to weapons, and support for this operation from other countries in the region.
- Relevant Governments in the region should take immediate steps to stringently enforce the arms embargo to ensure that none of the supplies of arms and related materiel reaches rebel forces in Sierra Leone.
- The Security Council should provide sufficient human and financial resources for effective monitoring of the arms embargo. Monitors could be placed on borders as well as at airbases and air strips in the bush. A panel of experts should carry out vigorous investigations into allegations of violations of the arms embargo.
- Arms brokering and shipping agents should be brought to justice so that they can be prosecuted if they contravene the export control laws of the country where they are based. If the list of arms brokering and shipping agents who operate illegally is made available by the United Nations, the World Diamond Council could cooperate also by posting it for the information of their member companies.
- Few Governments have adequate laws to regulate arms brokers and transport agents. In most cases, brokers could operate without authorization from

their Governments so long as the weapons they handled were not taken through their home country. Better control over arms brokers, including through the establishment of national register of arms brokers, with mandatory requirements for brokers to submit details of their transactions, could be looked into.

- An important link in the chain of steps for converting revenue from diamonds to illicit procurement of arms is the abuse of aviation control mechanisms, in particular those of the region.

IV. Ways and means for development of a sustainable and well regulated diamond industry in Sierra Leone

60. In the third session, the hearing covered the ways and means to develop a sustainable and well regulated diamond industry in Sierra Leone — e.g., the role of the Government of Sierra Leone, and possible international assistance.

61. A new mining and export regime for diamonds for Sierra Leone was introduced by **Mr. Deen**, in compliance with Security Council resolution 1306 (2000) and in consultation with the Governments of the United Kingdom, the United States, Belgium and Israel, and with the technical assistance of the Diamond High Council of Antwerp, the United States Agency for International Development and the Foreign and Commonwealth Office of the United Kingdom. The objectives of a new mining, marketing and exporting regime for diamonds, Mr. Deen said, were to terminate the rebels' ability to wage war, ensure that the Sierra Leonean people benefited from the legal diamond trade and discourage the international diamond market from dealing in conflict diamonds.

62. The new regime was explained in detail by **Mr. Van Bockstael**, speaking on behalf of the Government of Sierra Leone, who illustrated how the proposed certificate of origin would work, by such means as forgery-proof security paper, and the functions of its component parts, including an import confirmation certificate, a numbered label and a commercial invoice. These procedures, as well as a new electronic database, digital photographs and procedures for handling parcels, would be put into immediate practice. The Government proposed to put these systems into operation on a trial basis for a period of 90 days, after which they would be revised and, with the assistance of the Diamond High Council and other Governments and in accordance with operative paragraph 4 of Security Council resolution 1306 (2000), the Government would then notify the Committee of the final details of the certificate of origin regime when it was fully in operation.

63. Following the initial comments by **Mr. Greenstock** on the presentation, **Mr. Izhakoff** assured the hearing that the diamond industry would enforce the regulations as outlined in the new system and, regarding the United Kingdom's concern that a universal system was needed before the new regime would work on the ground, Mr. Van Bockstael said that there was already a certificate of origin regime in place in Angola, and that the new regime in Sierra Leone included more elaborate and fool-proof parameters. **Stephan de Loecker (Belgium)** suggested that his Government and the Diamond High Council were willing to share their knowledge and expertise with every country that envisaged a certification system comparable to that of Sierra Leone. **Howard Jeter (United States)** added that an effective certification system for Sierra Leone diamonds could serve as a model for future systems in other diamond-exporting countries, which could in turn be linked into a network with key importing centres in Belgium, Israel, India and elsewhere. If the Committee was satisfied with the regime, **Mr. Deen** said, the new system could be under way in a couple of weeks. Following concerns from **Mr. Jeter** and **Mr. Yearsley** regarding the monitoring of the new regime and what would happen to illicit diamonds when they were identified, the hearing was told that the diamond industry had already enacted legislation that anyone caught with illicit diamonds would be expelled immediately, but that the question of what to do with the diamonds was one that Governments should address. **Mr. Coxon** suggested that the Sanctions Committee consider the possibility of granting a special dispensation under Security Council resolution 1306 (2000), whereby illegally exported diamonds from Sierra Leone would be repatriated and offered for sale through government tender in that country. The identification of such diamonds, Mr. Coxon continued, could be validated and confirmed by a neutral third party, appointed by the Sanctions Committee.

64. Concerns regarding the principle and necessity for transparency and accountability within national and

international markets were raised by **Mr. Jeter**, **Mr. Hazelton** and **Peter Takirambudde**. **Mr. Takirambudde** and **Mr. Jeter** pointed out that existing widespread and official corruption in Sierra Leone would affect the good intentions of the new regime, and that illicit routes both within neighbouring States and the international diamond market must be shut down. **Mr. Deen** said that the new certificate of origin and monitoring mechanism would tackle not only conflict diamonds but also illicit diamonds. **Mr. de Loecker** pointed towards the certificate of origin regime, if effective, as the basis for a fully transparent diamond trade and outlined the legal steps that had already been taken to ensure transparency, while stressing Belgium's readiness to continue playing a constructive role in that respect.

65. As a response to **Mr. Takirambudde**'s foremost concern, that there was no external independent auditing machine in Sierra Leone to guarantee the elimination of illicit diamonds, **Mr. Izhakoff** referred to paragraph 9 of the joint resolution, adopted at the World Diamond Congress in Antwerp on 19 July 2000, which had mandated an International Diamond Council, comprised of producers, manufacturers, traders, Governments and relevant international organizations and to paragraph 19 of Security Council resolution 1306 (2000), by which the Council had established a five-member panel of experts. **Mr. Hazelton** highlighted the Lebanese role in the domination of the diamond trade in Guinea, Liberia and Côte d'Ivoire, and called for a panel of experts to examine the role of this network in greater detail, and **Mr. Takirambudde** asked the Security Council to take steps to ensure that there was no repetition of the "afflicting initiatives" that affected the panel for Angola, such as poor logistics, a poorly drafted mandate and an unwillingness on the part of Governments to share information.

66. **Mr. Smith** highlighted two possible ways of tackling the central political issue of the distribution of benefits from Sierra Leone's mining sector — a state-led strategy or a market-led strategy. The former would involve the Sierra Leonean State taking a major financial stake in the diamond sector; the latter would involve providing financial incentives along the chain of mining, buying and exporting, providing strong market signals to legitimize productions and trade. A strengthening of the international support, the securing of Kono by government forces and technical assistance to help coordinate reforms regionally and subregionally were cited by **Mr. Smith** and **Mr. Hazelton** as necessary steps for the new regime to work. **Mr. Deen** responded in part by pointing out that Sierra Leone had had a bitter experience with the state-led strategy in the past, when it became involved in Kimberlite diamonds, resulting in the shut-down of that company; thus, **Mr. Deen** said, the Government preferred to stay out of business and guarantee security of tenure.

67. Regarding Liberian diamond trade, **Mr. Captan** stressed that the Liberian Government already used a declaration of the origin of precious commodities, including diamonds, and had recently introduced a certificate of origin regime for diamonds, both of which, he stressed, would only be effective with the cooperation of buyer countries. He added that, due to its seven year civil war, Liberia did not have the money or the resources to monitor and control the illicit diamond trade, and could only do so with technical assistance. In addition, most so-called Liberian diamonds entering Antwerp, Mr. Captan said, actually came from the Russian Federation in order to avoid the 0.3 per cent import levy that Belgium charged on non-African goods. Concerning Sierra Leone, crucial questions should be answered, Mr. Captan said, such as which diamonds the Government of Sierra Leone had been certificating thus far and whether the certificate of origin regime denied rebels access to funds. Mr. Captan highlighted with concern the illegal trade in arms in West Africa, stressing that despite Liberia's voluntary destruction of over 21,000 small arms and 3 million rounds of ammunition and its signature of the ECOWAS Protocol on the Moratorium on Small Arms, neighbouring countries had attacked Liberia for the third time. Could the United Nations deny the people of Liberia their right to self-defence? The establishment of an arms registry databank to monitor the production and sale of arms and ammunition by arms-producing countries would provide an ideal arms-tracking mechanism.

68. **Mr. Doutriaux** notified the hearing that the Secretary-General was about to announce the membership of a panel of experts, and he advised the Sanctions Committee and the panel to make a rapid decision on the certificate of origin and to cooperate with the West African States, NGOs, the diamond industry, States etc. when exploring how to strengthen implementation and international cooperation. In conclusion, Mr. Doutriaux asked the panellists and the

Sanctions Committee to be aware of the possibility that new forms of illicit diamond trafficking in new areas of the world would emerge and consider ways of preventing that. **Mr. Kafando** stated Burkina Faso's hope that the hearing would extend to other resources that fuelled wars in the world and that all causes of war be addressed. While endorsing the establishment of a single permanent body responsible for the coordination of sanctions and diamonds in general, Mr. Kafando asked whether the measures suggested were sufficient, and stressed the importance of persuading the parties concerned that it was in their interest to abandon violence.

69. **Mr. Pattison** assured the hearing that the Security Council hoped soon to take action to strengthen UNAMSIL and to establish a special atrocities court regarding events in Sierra Leone.

70. **The Chairman** said that the main objective of the unprecedented hearing had been to broaden the Committee's understanding of the situation in Sierra Leone and its impact on neighbouring countries and on international peace and security. The participation of representatives of the diamond industry and of international, regional and non-governmental organizations had proven to be very effective in that regard.

71. The Committee would meet within the next week to consider the complex certificate of origin regime proposed by the Government of Sierra Leone, and he welcomed the strong support of the diamond industry for measures to control the illicit traffic in Sierra Leonean diamonds. He also welcomed the establishment of the Diamond High Council and the adoption at the twenty-ninth World Diamond Congress of the World Federation of Diamond Bourses and the International Diamond Manufacturers Association of a resolution aimed at establishing safeguards and standards of conduct for the diamond industry.

72. The hearing had highlighted the important role of neighbouring States in the enforcement of the sanctions against RUF. Greater awareness was needed in those States of the problem of conflict diamonds, and the offer by representatives of the diamond industry to travel to the region to disseminate information on the proposed international control regime was therefore welcome. The media also had a contribution to make in that regard. He welcomed the decision by ECOWAS member States to establish a regional commission of inquiry into the illegal trade in diamonds, and looked forward to working closely with the commission.

73. The panel of experts to be established pursuant to Security Council resolution 1306 (2000) would consist of Marti Ayafor (Cameroon), who would serve as Chairman of the panel; Johan Peleman (Belgium), an expert on arms; Ian Smillie (Canada), an expert on the diamond industry; Harjit Singh Sandhu (India); and Atabou Bodian (Senegal). He hoped that the panel, which was to report to the Security Council through the Committee no later than 31 October 2000, would learn from the experience of the panel established pursuant to Security Council resolution 1237 (1999) concerning Angola.

74. The Committee was aware that careful monitoring would be required in order to ensure the effective implementation of many elements of Security Council resolution 1306 (2000). Accordingly, it would review the implementation of the resolution at regular intervals. It would also be in a better position to judge what further measures were needed to stop the illegal traffic in Sierra Leonean diamonds after the submission of the panel's report. He wished to reiterate that the Committee's main aim was to alleviate the anguish and suffering caused to the people of Sierra Leone by the trade in conflict diamonds.

Observations

- The implementation of the procedures for the certificate of origin regime, as proposed by the Government of Sierra Leone, should start as quickly as possible. The Government of Sierra Leone would report to the Sierra Leone Sanctions Committee in this regard, and the Committee would act upon it immediately.
- An effective certification system for Sierra Leonean diamonds would serve as a model for future systems in other diamond exporting countries, which could in turn be linked into a network, with key importing centres in Belgium, Israel, India and elsewhere.
- The strengthening of international support, the securing of all diamond-producing areas by the Government and technical assistance to help coordinate reforms are necessary for the new regime to work.

- Effective internal monitoring of diamond purchase and export by Sierra Leone would be essential for the success of the proposed new regime. Consideration should be given to the establishment of a national regulatory body comprised of knowledgeable representatives from Government, the academia, civil society and the diamond industry.
- An effective banking network and financial system are required for full implementation of the new regime.
- The usefulness of an independent auditing regime for greater effectiveness and transparency should be looked into.
- Governments need to address the question of what to do with illicit diamonds once they are obtained.
- Transparency and accountability within national and international diamond markets must be established. Their compliance is crucial for the implementation of the new measures proposed.
- The diamond industry would enforce regulations as outlined in the new system.
- Regionally, efforts should be made to coordinate reforms in Sierra Leone with reforms in gem-trading and gem-producing countries in the subregion.
- Technical assistance should be provided to regional countries in order to enable them to regulate and produce maximum value from legitimate national mining and trading activity, generate more accurate statistical data on production and trade, and better identify rogue traders.
- The possibility that new forms of illicit diamond trafficking may emerge in new areas of the world should be addressed.

V. Conclusion

75. The deliberations held during the three sessions of the hearing covered in a detailed and comprehensive manner the issues of Sierra Leone diamond industry, the link to trade in arms and other material, and ways and means to develop a sustainable and well regulated diamond industry in Sierra Leone. A number of important observations were made, as reflected above, towards the development of Sierra Leone diamond resources in a way that promoted development and well-being of its people. The report and its observations are submitted to the Security Council for subsequent consideration and appropriate action.

76. Given that the panel of experts constituted according to the provisions of paragraph 19 of Security Council resolution 1306 (2000) has already begun its work, the observations of the hearing could also be taken up by the panel for more extensive investigation and follow-up.

Appendix

List of participants in the Sierra Leone exploratory hearing as per paragraph 12 of Security Council resolution 1306 (2000)

Invitees

Interested States

Angola

Belgium
Stephan de Loecker, Deputy Permanent Representative

Benin

Bulgaria

Burkina Faso
Michel Kafando, Permanent Representative

Canada
Robert Fowler, Chairman, Security Council Committee established pursuant to resolution 864 (1993) concerning the situation in Angola

Louis Guay, Director, West Africa Division, Ministry of Foreign Affairs

Cape Verde

Côte d'Ivoire

France
Yves Doutriaux, Deputy Permanent Representative

Gambia

Ghana

Guinea

Guinea-Bissau

India
Satyabrata Pal, Deputy Permanent Representative

Israel

Liberia
Monie R. Captan, Minister of Foreign Affairs

Jenkins Dunbar, Minister of Lands, Mines and Energy

Mali

Mauritania

Netherlands
Adriaan Kooijmans, Counsellor

Niger

Nigeria

Russian Federation
Kutepov Andrey Nikolaevich, Deputy Head of State Treasury (Gokhran) under the Ministry of Finance

Katsuk Evgeny Ivanovich, Expert, State Treasury (Gokhran)

Senegal

Sierra Leone
Alhaji Mohammed Deen, Minister of Mineral Resources

South Africa

Togo

Ukraine
Valeri Kuchynski, First Deputy Permanent Representative

United Kingdom of Great Britain and Northern Ireland
Jeremy Greenstock, Permanent Representative

Stephen Pattison, Head of United Nations Department of the Foreign and Commonwealth Office

United States of America
Howard Jeter, Deputy Assistant Secretary of State for African Affairs

Richard Holbrooke, Permanent Representative

Nancy Soderberg, Alternate Representative for Political Affairs

International and regional organizations

World Bank
Preeti Arora

Organization of African Unity

Economic Community of West African States
H. U. Didigu, Legal Officer

Diamond trade associations (including representatives of their member companies)

Diamond High Council
Mark Van Bockstael, Director, International Affairs

International Diamond Manufacturers Association*
Sean Cohen, President

Jeffrey Fisher, Vice President, (President, Diamond Manufacturers and Importers Association of America)

World Federation of Diamond Bourses*
E. Izhakoff, Honorary President

* Merged recently to form the World Diamond Council.

Individuals with relevant experience

Patrick Smith (Africa Confidential)

A London-based journalist who specializes in political and economic development issues in Africa. He broadcasts regularly and is currently writing a book about the regional roots of the Sierra Leone conflict. For much of the 1980s, he lived in West Africa. He has reported on Africa for a major international newswire and several daily newspapers in Europe and North America. He addresses the Committee in his personal capacity.

Charmian Gooch and Alex Yearsley (Global Witness)

Charmian Gooch, a founding co-director of Global Witness, has been researching, along with her colleague, Alex Yearsley, the issue of conflict diamonds and the international diamond trade since mid-1996. During this time they have accumulated considerable working knowledge of the diamond trade and the issues related to conflict diamonds. Gooch and her colleagues have also investigated the way in which the illegal trade in timber in Cambodia was funding the conflict; their investigations and lobbying led to closing down the Khmer Rouge's main source of revenue, and they identified and slowed down massive corruption in the time sector. They are now official monitors for the international community of whether the Cambodian Government is meeting its commitments to the rest of the international community.

Ralph Hazleton (Partnership Africa Canada)

Holds a Ph.D. in economics. He has 25 years of experience, divided equally between Canadian academia, where he has worked as a political economist, and Africa, where he has worked as a senior manager of development and emergency efforts in Zaire, Zambia, the United Republic of Tanzania, Rwanda and more recently in Liberia and Sierra Leone. He was awarded the Meritorious Service Medal by the Government of Canada for his work with Rwandan refugees in Zaire in 1994-1995. He is a co-author of the January 2000 publication, *The Heart of the Matter: Sierra Leone, Diamonds and Human Security*.

Peter Takirambudde (Human Rights Watch)

A Regional Director at Human Rights Watch (HRW), he plays a key role in coordinating the work of HRW in Africa. He both facilitates the research of numerous staff members and also works directly on human rights issues in Africa. Prior to joining HRW, he held academic positions at the universities in the United States, Africa and Europe. He holds a Bachelor of Laws from Makeree University in Uganda and possesses a postgraduate diploma in legal practice in the Law Development Center. He was also awarded a Master of Laws and Doctor of Juridical Science from Yale University (1975/1977), and was postdoctoral Fellow at the Center for International Studies, Woodrow Wilson School of Affairs, Princeton University.

Brian Wood (Amnesty International)

Coordinates Amnesty International initiatives on military, security and police relations, and is normally based at Amnesty's London headquarters. However, for almost two years now he has been on sabbatical leave from Amnesty and has been